

June 17, 2010

Office of Health Plan Standards and Compliance Assistance Employee Benefits Security Administration, Room N-5653 Attention: RIN 1210-AB42 U.S. Department of Labor 200 Constitution Ave. NW Washington, DC 20210.

Dear Sir/Madam,

I would like to comment on the rules identified above.

We are a small family business with 11 employees. We currently pay 100% of health care premiums for our employees and their families (a total of 20 people). It is extremely costly and the PPO option offers what could only be described as high-deductable coverage at Cadillac prices. The PPO is the only option available to our two out-of-state employees. About 30% of our employees are covered by their spouses outside of the company. Our premiums for the remaining 70 % come to about \$90,000/year. (We are not eligible for any tax credits since salaries do not meet the requirements.)

We had always assumed at some point, with our health care insurance premiums growing at 15%/year, that we would need to require that employees make some contribution. By limiting our employee contribution to 5% as the rules now require, we are being punished for our current generosity. While this limit might make sense to limit an employer who now pays 30% of employee premiums, it doesn't make sense to an employer who now pays 100%.

If you add to this no flexibility as far as coverage, co-pays, co-insurance, and deductible, we are completely hamstrung.

Where we were once the ideal employer who really cared about our employees, we will be held hostage by the cost of insurance coverage while competing in a very aggressive software market

To be honest, the only attractive option would be to drop coverage entirely and pay the penalty...

Sincerely Arlea Jalocce

Teresa LaRocco

Vice President and CFO

Cc: Rep. Dennis Moore